

## **2015 Reappraisal Cycle: A Change in Property Valuation**

Almost all real estate in Montana is appraised for purposes of property taxation.<sup>1</sup> The Montana Legislature set a six year tax appraisal cycle for agricultural, residential, commercial, and forestland property. The new reappraisal being implemented in 2015 is based upon market values as of January 1, 2014. The new valuations may trigger a number of appeals, particularly in high growth areas that are likely to see the highest valuation increases.

The Department of Revenue is indicating that some general changes may include somewhat lower residential property market values statewide, considerably higher agricultural and commercial property values, and big property value increases in eastern counties near the Bakken oil field development. As an example, the market value of agricultural land is expected to increase by 17 percent this cycle as a statewide average, a result of strong commodity prices during the period.

The Department of Revenue will send an appraisal notice to all agricultural, business, residential and forestland property owners in the summer of 2015. The appraisal notice is not the same as a tax bill, which should be mailed sometime in November of 2015. This distinction is critical because of the statutory timeline for appealing a valuation.

Taxpayers may appeal directly to the county tax appeal board or request an informal review of their valuations from the Department of Revenue by completing an AB-26 Form (Request for an Informal Review). The completed form is submitted to the local appraisal office. This step is not required but may resolve any issues about the valuation.

If the results of the informal review are unsatisfactory, the taxpayer or the taxpayer's agent may file a written application for reduction in value<sup>1</sup>. The application may be obtained at the local DOR office and must be filed with the Clerk and Recorder. The application must be submitted within 30 days after receiving either a notice of classification and appraisal or decision by the department from the informal review process, whichever is later<sup>2</sup>. When appraisal notices are mailed more than 30 days before the first Monday in June, the deadline to file an appeal with the county tax appeal board is the first Monday in June or within 30 days after receiving a decision by the Department of Revenue from the informal review process, whichever is later.

Filing the application begins the actual appeal process. At that time, the County Tax Appeal Board will set a hearing date. After the hearing, the taxpayer

---

<sup>1</sup> Section 15-15-102, MCA.

<sup>2</sup> Section 15-15-102, MCA.

and the Department have the opportunity to appeal the county tax appeal board decision to the Montana Tax Appeal Board, and subsequently for judicial review.